

SPEECH

OF

MR. CALHOUN, OF SOUTH CAROLINA,

IN REPLY TO MR. CLAY, ON THE SUB-TREASURY BILL.

*Bank*

DELIVERED IN THE SENATE OF THE UNITED STATES.

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## SPEECH

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I rise to fulfil a promise I made some time since to notice at my leisure the reply of the Senator from Kentucky farthest from me (Mr. CLAY) to my remarks, when I first addressed the Senate on the subject now under discussion.

On comparing with care the reply with the remarks, I am at a loss to determine whether it is the most remarkable for its omissions or misstatements. Instead of leaving not a hair in the head of my arguments, as the Senator threatened, (to use his not very dignified expression,) he has not even attempted to answer a large, and not the least weighty portion; and of that which he has, there is not one fairly stated or fairly answered. I speak literally, and without exaggeration; nor would it be difficult to establish to the letter what I assert, if I could reconcile it to myself to consume the time of the Senate in establishing a long series of negative propositions, in which they could take but little interest, however important they may be regarded by the Senator and myself. To avoid so idle a consumption of the time, I propose to present a few instances of his misstatements, from which the rest may be inferred; and, that I may not be suspected of having selected them, I shall take them in the order in which they stand in his reply.

The Senate will recollect, that when the Senator from Virginia farthest from me (Mr. RIVES) introduced his substitute, he accompanied it with the remark, that it was his first choice, and the second choice of those who are allied with him on this occasion. In noticing this remark, I stated, that if I might judge from appearances, which could scarcely deceive one, the Senator might have said, not only the second, but, under *existing circumstances*, it was their first choice, and that, despairing of a bank for the present, they would support his substitute. Assuming this inference to be correct, I stated that the question was narrowed down, in fact, to the bill and substitute, of which one or the other must be selected. The Senator from Kentucky, in his reply, omitted all these qualifications, and represented me as making the absolute assertion that, in the nature of the case, there was no other alternative but the bill or the substitute, and then gravely pointed out two others; to do nothing, or adopt a National bank, as if I could possibly be ignorant of what was so obvious. After he had thus replied, not to what I really said, but his own misstatement of it, as if to make compensation, he proceeded in the same breath to confirm the truth of what I did say by giving his support to the substitute, which he called a half-way house, where he could spend some pleasant hours. Nothing is more easy than to win such victories.

Having inferred, as has turned out to be the fact, that there was no other alternative at present but the bill and substitute, I next showed the embarrassment to which the gentlemen opposite to me would be involved from having, four years ago, on the question of the removal of the deposits, denounced a league of State banks, similar to that proposed to be revived by the substitute. After enlarging on



this point, I remarked that, if I might be permitted to state my opinion, the gentlemen had taken a course unfortunate for themselves and the country;—unfortunate for them, for let what would come they would be responsible. If the bill was lost, theirs would be the responsibility; if the substitute was carried, on them the responsibility would fall; and, if nothing was done, they would be held responsible; and unfortunate for the country, because it had prevented the decision of the question at the extra session, which could not have failed to put an early termination to the present commercial and pecuniary embarrassment. This the Senator, in his reply, met by stating that I had called on him and his friends to follow my lead; and thus regarding it, he made it the pretext of some ill-natured personal remarks, which I shall notice hereafter. I never dreamed of making such a call; and what I said cannot be tortured, by the force of construction, to bear a meaning having the least semblance to it.

After making these preliminary remarks, I took up the substitute, and showed that it proposed to make a bargain with the banks. I then stated the particulars and the conditions of the proposed bargain; that its object was to enable the banks to pay their debts, and for that purpose it proposed to confer important privileges; to give them the use of the public funds from the time of deposit to disbursement, and to have their notes received as cash in the dues of the Government. I then asked, if we had a right to make such a bargain? The Senator, leaving out all these particulars, represented me as saying that the Government had no right to make a bargain with the banks; and then undertakes to involve me in an inconsistency, in supporting the bill, because it proposes to bargain with the banks for the use of their vaults, as a place of safe-keeping for the public money; as if there was a possible analogy between the two cases. Nothing is more easy than to refute the most demonstrative argument in this way. Drop an essential part of the premises, and the most irresistible conclusion, of course, fails.

In the same summary and easy mode of replying to my arguments, the Senator perverted my denial that the Government had a right to receive bank notes as cash, into the assertion that it had no right to receive any thing but cash; and then accuses me with inconsistency, because I voted, at the extra session, for the bill authorizing the receipt of Treasury notes in the dues of the Government; as if any one ever doubted that it could receive its own paper, or securities, in payment of its debts. Such are the misstatements of the Senator taken in their regular order, as they stand in his reply, and they present a fair specimen of what he chooses to consider an answer to my argument. There is not one less unfairly stated, or unfairly met, than the instances I have cited.

The Senator presented two difficulties in reply to what I said against receiving bank notes by the Government, which demand a passing notice before I dismiss this part of the subject. He objected, first, that it was contrary to the provision of the bill itself, which authorizes the receipts of the notes of specie-paying banks for a limited time. To answer this objection, it will be necessary to advert to the object of the provision. By the provisions of the joint resolutions of 1816, the notes of specie paying banks are made receivable in the dues of the Government; and, of course, on the resumption of specie payments, bank notes would again be received by the Government as heretofore, without limitation as to time, unless some provision be adopted to prevent it. In a word, the Government, though separated in fact at present from the banks, is not legally separated; and the object of the provision is to effect the separation as well in law as it is in fact. This it proposes to do by a gradual repeal of the joint resolution of 1816, in order to prevent, as far as possible, any injurious effects to the community or the banks. The Senator, in making his objection, overlooks the broad distinction between the doing and undoing of an unconstitutional act. There are some unconstitutional acts that are difficult, if not impossible, to be undone; such, for instance, as the admission of Louisiana into the Union, admitting it to be unconstitutional, which I do not. There are others which cannot be undone suddenly, without wide-spread distress and ruin; such as the protective tariff, which, accordingly, the compromise act allowed upwards of eight years for the gradual repeal. Such also is the case under consideration, which, under the provisions of the bill, would be effected in seven years. In all such cases I hold it to be not only clearly constitutional for Congress to make a gradual repeal, but its duty to do so; otherwise it would be often impossible to get clear of an unconstitutional act short of a revolution. His next objection was, that the reasons which would make the receipt of bank notes unconstitutional, would also make the China trade so, which he represented as absorbing



a large portion of the specie of the country. There is no analogy whatever between the two cases. The very object of specie is to carry on trade, and it would be idle to attempt to regulate the distribution and fluctuation which result from its operation. Experience proves that all attempts of the kind must either prove abortive or mischievous. In fact, it may be laid down as a law, that the more universal the demand for specie, and the less that demand is interrupted, the more steady and uniform its value, and the more perfectly, of course, it fulfils the great purpose of circulation, for which it was intended. There are, however, not a few who, taking a different view, have thought it to be the duty of the Government to prohibit the exportation of specie to China, on the very ground which the Senator assumes, and I am not certain but that he himself has been in favor of the measure.

But the Senator did not restrict himself to a reply to my arguments. He introduced personal remarks, which neither self-respect, nor a regard to the cause I support, will permit me to pass without notice, as adverse as I am to all personal controversies. Not only my education and disposition, but, above all, my conception of the duties belonging to the station I occupy, indisposes me to such controversies. We are sent here, not to wrangle, or indulge in personal abuse, but to deliberate and decide on the common interests of the States of this Union, as far as they have been subjected by the Constitution to our jurisdiction. Thus thinking and feeling, and having perfect confidence in the cause I support, I addressed myself, when I was last up, directly and exclusively to the understanding, carefully avoiding every remark which had the least personal or party bearing. In proof of this, I appeal to you, Senators, my witnesses and judges on this occasion. But it seems that no caution on my part could prevent what I was so anxious to avoid. The Senator, having no pretext to give a personal direction to the discussion, made a premeditated and gratuitous attack on me. I say having no pretext, for there is not a shadow of foundation for the assertion that I called on him and his party to follow my lead, at which he seemed to take offence, as I have already shown. I made no such call, or any thing that could be construed into it. It would have been impertinent, in the relation between myself and his party, at any stage of this question; and absurd at that late period, when every Senator had made up his mind. As there was, then, neither provocation nor pretext, what could be the motive of the Senator in making the attack? It could not be to indulge in the pleasure of personal abuse, the lowest and basest of all our passions, and which is so far beneath the dignity of the Senator's character and station. Nor could it be with the view to intimidation. The Senator knows me too long and too well to make such an attempt. I am sent here by constituents as respectable as those he represents, in order to watch over their peculiar interests, and take care of the general concern; and if I were capable of being deterred by any one, or any consequence, in discharging my duty, from denouncing what I regarded as dangerous or corrupt, or giving a decided and zealous support to what I thought right and expedient, I would, in shame and confusion, return my commission to the patriotic and gallant State I represent, to be placed in more resolute and trustworthy hands.

If, then, neither the one nor the other of these be the motive, what, I again repeat, can it be? In casting my eyes over the whole surface I can see but one, which is, that the Senator, despairing of the sufficiency of his reply to overthrow my arguments, had resorted to personalities, in the hope, with their aid, to effect what he could not accomplish by main strength. He well knows that the force of an argument on moral or political subjects depends greatly on the character of him who advanced it, and that to cast suspicion on his sincerity or motive, or to shake confidence in his understanding, is often the most effectual mode to destroy its force. Thus viewed, his personalities may be fairly regarded as constituting a part of his reply to my argument; and we, accordingly, find the Senator throwing them in front, like a skilful general, in order to weaken my arguments before he brought on his main attack. In repelling, then, his personal attacks, I also defend the cause which I advocate. It is against that his blows are aimed, and he strikes at it through me, because he believes his blows will be the more effectual.

Having given this direction to his reply, he has imposed on me a double duty to repel his attacks: duty to myself and the cause I support. I shall not decline its performance; and when it is discharged, I trust I shall have placed my character as far beyond the darts which he has hurled at it, as my arguments have proved to be above his abilities to reply to them. In doing this, I shall be compelled to speak



of myself. No one can be more sensible than I am how odious it is to speak of one's self. I shall endeavor to confine myself within the limits of the strictest propriety; but if any thing should escape me that may wound the most delicate ear, the odium ought in justice to fall not on me, but the Senator who, by his unprovoked and wanton attack, has imposed on me the painful necessity of speaking of myself.

The leading charge of the Senator—that on which all others depend, and which, being overthrown, they fall to the ground—is that I have gone over; have left his side, and joined the other. By this vague and indefinite expression, I presume he meant to imply that I had either changed my opinion, or abandoned my principle, or deserted my party. If he did not mean one, or all; if I have changed neither opinions, principles, nor party, then the charge meant nothing deserving notice. But if he intended to imply, what I have presumed he did, I take issue on the fact—I meet and repel the charge. It happened fortunately for me, fortunately for the cause of truth and justice, that it was not the first time that I had offered my sentiments on the question now under consideration. There is scarcely a single point in the present issue on which I did not explicitly express my opinion, four years ago, in my place here, when the removal of the deposits and the questions connected with it were under discussion—so explicitly as to repel effectually the charge of any change on my part, and to make it impossible for me to pursue any other course than I have without involving myself in gross inconsistency. I intend not to leave so important a point to rest on my bare assertion. What I assert stands on record, which I now hold in my possession, and intend, at the proper time, to introduce and read. But, before I do that, it will be proper I should state the questions now at issue, and my course in relation to them, so that, having a clear and distinct perception of them, you may, Senators, readily and satisfactorily compare and determine whether my course on the present occasion coincides with the opinions I then expressed.

There are three questions, as is agreed by all, involved in the present issue: Shall we separate the Government from the banks, or shall we revive the league of State banks, or create a national bank? My opinion and course in reference to each are well known. I prefer the separation to either of the others; and, as between the other two, I regard a national bank as a more efficient and a less corrupting fiscal agent than a league of State banks. It is also well known that I have expressed myself on the present occasion hostile to the banking system, as it exists, and against the constitutional power of making a bank, unless on the assumption that we have the right to receive and treat bank notes as cash in our fiscal operations, which I, for the first time, have denied on the present occasion. Now, I entertained and expressed all these opinions, on a different occasion, four years ago, except the right of receiving bank notes, in regard to which I then reserved my opinion; and if all this should be fully and clearly established by the record, from speeches delivered and published at the time, the charge of the Senator must, in the opinion of all, however prejudiced, sink to the ground. I am now prepared to introduce, and have the record read. I delivered two speeches in the session of 1833-'34, one on the removal of the deposits, and the other on the question of the renewal of the charter of the late bank. I ask the Secretary to turn to the volume lying before him, and read the three paragraphs marked in my speech on the deposits. I will thank him to raise his voice, and read slowly, so that he may be distinctly heard, and I must ask you, Senators, to give your attentive hearing, for on the coincidence between my opinions then and my course now my vindication against this unprovoked and groundless charge rests.

"If (said Mr. C.) this was a question of bank or no bank; if it involved the existence of the banking system, it would indeed be a great question—one of the first magnitude; and, with my present impression, long entertained, and daily increasing, I would hesitate, long hesitate, before I would be found under the banner of the system. I have great doubts (if doubts they may be called) as to the soundness and tendency of the whole system, in all its modifications. I have great fears that it will be found hostile to liberty and the advance of civilization; fatally hostile to liberty in our country, where the system exists in its worst and most dangerous form. Of all institutions affecting the great question of the distribution of wealth, a question least explored, and the most important of any in the whole range of political economy; the banking institution has, if not the greatest, among the greatest, and, I fear, most pernicious, influence on the mode of distribution. Were the question really before us, I would not shun the responsibility, great as it might be, of freely and fully offering my sentiments on these deeply important points; but, as it is, I must content myself with the few remarks which I have thrown out.



"What, then, is the real question which now agitates the country? I answer, it is a struggle between the Executive and Legislative Departments of the Government; a struggle, not in relation to the existence of the bank, but which, Congress or the President, should have the power to create a bank, and the consequent control over the currency of the country. This is the real question. Let us not deceive ourselves. This league, this association of banks, created by the Executive, bound together by its influence, united in common articles of association, vivified and sustained by receiving the deposits of the public money, and having their notes converted, by being received every where by the Treasury, into the common currency of the country, is, to all intents and purposes, a Bank of the United States, the Executive Bank of the United States, as distinguished from that of Congress.

"However it might fail to perform satisfactorily the useful functions of the Bank of the United States as incorporated by law, it would outstrip it, far outstrip it, in all its dangerous qualities, in extending the power, the influence, and the corruption of the Government. It was impossible to conceive any institution more admirably calculated to advance these objects. Not only the selected banks, but the whole banking institutions of the country, and with them the entire money power, for the purpose of speculation, peculation, and corruption, would be placed under the control of the Executive. A system of menaces and promises will be established: of menaces to the banks in possession of the deposits, but which might not be entirely subservient to Executive views; and of promises of future favors to those who may not as yet enjoy its favors. Between the two, the banks would be left without influence, honor, or honesty, and a system of speculation and stock-jobbing would commence, unequalled in the annals of our country."

"So long as the question is one between a Bank of the United States, incorporated by Congress, and that system of banks which has been created by the will of the Executive, it is an insult to the understanding to discourse on the pernicious tendency and unconstitutionality of the Bank of the United States. To bring up that question fairly and legitimately, you must go one step farther—you must divorce the Government and the banking system. You must refuse all connection with banks. You must neither receive nor pay away bank notes; you must go back to the old system of the strong box, and of gold and silver. If you have a right to receive bank notes at all—to treat them as money by receiving them in your dues, or paying them away to creditors, you have a right to create a bank. Whatever the Government receives and treats as money, is money; and, if it be money, then they have the right, under the Constitution, to regulate it. Nay, they are bound by a high obligation to adopt the most efficient means, according to the nature of that which they have recognized as money, to give to it the utmost stability and uniformity of value. And if it be in the shape of bank notes, the most efficient means of giving those qualities is a Bank of the United States, incorporated by Congress. Unless you give the highest practical uniformity to the value of bank notes—so long as you receive them in your dues, and treat them as money, you violate that provision of the Constitution which provides that taxation shall be uniform throughout the United States. There is no other alternative. I repeat, you must divorce the Government entirely from the banking system, or, if not, you are bound to incorporate a bank as the only safe and efficient means of giving stability and uniformity to the currency. And should the deposits not be restored, and the present illegal and unconstitutional connection between the Executive and the league of banks continue, I shall feel it my duty, if no one else moves, to introduce a measure to prohibit Government from receiving or touching bank notes in any shape whatever, as the only means left of giving safety and stability to the currency, and saving the country from corruption and ruin."

Such were my sentiments, delivered four year since, on the question of the removal of the deposits, and now standing on record; and I now call your attention, Senators, while they are fresh in your minds, and before other extracts are read, to the opinions I then entertained and expressed, in order that you may compare them with those that I have expressed, and the course I have pursued on the present occasion. In the first place, I then expressed myself explicitly and decidedly against the banking system, and intimated, in language too strong to be mistaken, that, if the question was then bank or no bank, as it now is, as far as Government is concerned, I would not be found on the side of the bank. Now, I ask, I appeal to the candor of all, even the most prejudiced, is there any thing in all this contradictory to my present opinions or course? On the contrary, having entertained and expressed these opinions, could I, at this time, when the issue I then supposed is actually presented, have gone against the separation without gross inconsistency? Again, I



then declared myself to be utterly opposed to a combination or league of State banks, as being the most efficient and corrupting fiscal agent the Government could select, and more objectionable than a Bank of the United States. I again appeal, is there a sentiment or a word in all this contradictory to what I have said or done on the present occasion? So far otherwise, is there not a perfect harmony and coincidence throughout, which, considering the distance of time and the difference of the occasion, is truly remarkable, and this extending to all the great and governing questions now at issue?

But the removal of the deposits was not the only question discussed at that remarkable and important session. The charter of the United States Bank was then about to expire. The Senator from Massachusetts nearest to me, (Mr. Webster,) then at the head of the Committee on Finance, suggested, in his place, that he intended to introduce a bill to renew the charter. I clearly perceived that the movement, if made, would fail; and that there was no prospect of doing any thing to arrest the danger approaching, unless the subject was taken up on the broad question of the currency; and that if any connexion of the Government with the banks could be justified at all, it must be in that relation. I am not among those who believe that the currency was in a sound condition when the deposits were removed in 1834. I then believed, and experience has proved I was correct, that it was deeply and dangerously diseased; and that the most efficient measures were necessary to prevent the catastrophe which has since fallen on the circulation of the country. There was then not more than one dollar in specie, on an average, in the banks, including the United States Bank and all; for six of bank notes in circulation, and not more than one in eleven compared to liabilities of the banks, and this while the United States Bank was in full and active operation, which proves conclusively that its charter ought not to be renewed, if renewed at all, without great modifications. I saw also that the expansion of the circulation, great as it then was, must still farther increase; that the disease lay deep in the system; that the terms on which the charter of the bank of England was renewed would give a western direction to specie, which, instead of correcting the disorder, by substituting specie for bank notes in our circulation, would become the basis of new banking operations that would greatly increase the swelling tide. Such were my conceptions then, and I honestly and earnestly endeavored to carry them into effect, in order to prevent the approaching catastrophe.

The political and personal relations between myself and the Senator from Massachusetts (Mr. Webster) were then not the kindest. We stood in opposition at the preceding session on the great question growing out of the conflict between the State I represented and the General Government, which could not pass away without leaving unfriendly feelings on both sides; but where duty is involved, I am not in the habit of permitting my personal relations to interfere. In my solicitude to avoid coming dangers, I sought an interview, through a common friend, in order to compare opinions as to the proper course to be pursued. We met, and conversed freely and fully, but parted without agreeing. I expressed to him my deep regret at our disagreement, and informed him that, although I could not agree with him, I would throw no embarrassment in his way, but should feel it to be my duty, when he made his motion to introduce a bill to renew the charter of the bank, to express my opinion at large on the state of the currency and the proper course to be pursued, which I accordingly did. On that memorable occasion I stood almost alone. One party supported the league of State banks, and the other the United States Bank, the charter of which the Senator from Massachusetts (Mr. Webster) proposed to renew for six years. Nothing was left me but to place myself distinctly before the country on the ground I occupied, which I did fully and explicitly in the speech I delivered on the occasion. In justice to myself, I ought to have every word of it read on the present occasion. It would of itself be a full vindication of my course. I stated and enlarged on all the points to which I have already referred; objected to the recharter as proposed by the mover, and foretold that what has since happened would follow, unless something effectual was done to prevent it. As a remedy, I proposed to use the bank of the United States as a temporary expedient, fortified with strong guards, in order to resist and turn back the swelling tide of circulation. With this view, I proposed to prohibit the issue of any note under ten dollars, at first, and after a certain interval, under twenty; and to refuse to receive the notes of any bank that issued notes under five dollars, or that received the notes of any bank that issued less, in order to make a total separation between the banks that should refuse to discontinue the issue of small notes and



the others, in the hope that the influence of the latter, with the voice of the community, would ultimately compel a discontinuance. I proposed, that the charter, with these and other provisions that might be devised by a committee appointed for the purpose, should be renewed for twelve years, two years longer than the bank of England had been, in order to avail ourselves of the experience and wisdom of that great and enlightened nation. All this I proposed, expressly on the ground of undoing the system, gradually and slowly, till a total disconnection should be effected, if experience should show that it could be carried to that extent. My object was double; to get clear of the system, and to avoid the catastrophe which has since befallen us, and which I then saw was approaching.

To prove all this, I again refer to the record. If it shall appear from it that my object was to disconnect the Government gradually and cautiously from the banking system, and with that view, and that only, I proposed to use the United States Bank for a short time, and that I explicitly expressed the same opinions then as I now have on almost every point connected with the system, I shall not only have vindicated my character from the charge of the Senator from Kentucky, but shall do more, much more, to show that I did all an individual, standing alone as I did, could do to avert the present calamities, and, of course, I am free from all responsibility for what has since happened. I have shortened the extracts, as far as was possible to do myself justice, and have left out much that ought, of right, to be read in my defence, rather than to weary the Senate. I know how difficult it is to command attention to reading of documents; but I trust that this, where justice to a member of the body, whose character has been assailed without the least provocation, will form an exception. The extracts are numbered, and I will thank the Secretary to pause at the end of each, unless otherwise desired.

The Secretary here read the following extract:

"After a full survey of the whole subject, I see none, I can conjecture no means of extricating the country from its present danger, and to arrest its farther increase, but a bank, the agency of which, in some form or under some authority, is indispensable. The country has been brought into the present diseased state of the currency by banks, and must be extricated by their agency. We must, in a word, use a bank to unbank the banks, to the extent that may be necessary to restore a safe and stable currency—just as we apply snow to a frozen limb in order to restore vitality and circulation, or hold up a burn to the flame to extract the inflammation. All must see that it is impossible to suppress the banking system at once. It must continue for a time. Its greatest enemies, and the advocates of an exclusive specie circulation, must make it a part of their system to tolerate the banks for a longer or a shorter period. To suppress them at once would, if it were possible, work a greater revolution—a greater change in the relative condition of the various classes of the community, than would the conquest of the country by a savage enemy. What, then, must be done? I answer, a new and safe system must gradually grow up under, and replace, the old; imitating, in this respect, the beautiful process we sometimes see, of a wounded or diseased part in a living organic body, gradually superseded by the healing process of Nature."

After having so expressed myself, which clearly shows that my object was to use the bank for a time in such a manner as to break the connexion with the system, without a shock to the country or currency, I then proceed and examine the question, whether this could be best accomplished by the renewal of the charter of the United States Bank, or through a league of State banks. After concluding what I had to say on the subject, in my deep solicitude I addressed the three parties in the Senate separately, urging such motives as I thought best calculated to act on them, and pressing them to join me in the measure suggested, in order to avert approaching danger. I began with my friends of the State Rights party and with the Administration. I have taken copious extracts from the address to the first, which will clearly prove how exactly my opinion then and now coincide on all questions connected with the banks. I now ask the Secretary to read the extract numbered two.

"Having now stated the measure necessary to apply the remedy, I am thus brought to the question—can the measure succeed? which brings up the inquiry of how far it may be expected to receive the support of the several parties which compose the Senate, and on which I shall next proceed to make a few remarks.

"First, then, can the State Rights party give it their support? that party of which I am proud of being a member, and for which I entertain so strong an attachment—the stronger because we are few among many. In proposing this question, I am



not ignorant of their long-standing constitutional objection to the bank, on the ground that this was intended to be, as it is usually expressed, a hard-money Government—a Government whose circulating medium was intended to consist of the precious metals, and for which object the power of coining money and regulating the value thereof was expressly conferred by the Constitution. I know how long and how sincerely this opinion has been entertained, and under how many difficulties it has been maintained. It is not my intention to attempt to change an opinion so firmly fixed, but I may be permitted to make a few observations, in order to present what appears to me to be the true question in reference to this constitutional point—in order that we may fully comprehend the circumstances under which we are placed in reference to it. With this view, I do not deem it necessary to inquire whether, in conferring the power to coin money and to regulate the value thereof, the Constitution intended to limit the power strictly to coining money and regulating its value, or whether it intended to confer a more general power over the currency; nor do I intend to inquire whether the word coin is limited simply to the metals, or may be extended to other substances, if, through a gradual change, they may become the medium of the general circulation of the world.”

“The very receipt of bank notes on the part of the Government, in its dues, would, it is conceded, make them money, as far as the Government may be concerned, and, by a necessary consequence, would make them, to a great extent, the currency of the country. I say nothing of the positive provisions in the Constitution which declare that ‘all duties, imposts, and excises, shall be uniform throughout the United States,’ which cannot be, unless that in which they are paid should also have, as nearly as practicable, a uniform value throughout the country. To effect this, where bank notes are received, the banking power is necessary and proper within the meaning of the Constitution; and consequently, if the Government has the right to receive bank notes in its dues, the power becomes constitutional. Here lies, said Mr. C. the real constitutional question: has the Government a right to receive bank notes or not? The question is not upon the mere power of incorporating a bank, as it has been commonly argued; though, even in that view, there would be as great a constitutional objection to any act on the part of the Executive, or any other branch of the Government, which should unite any association of State banks into one system, as the means of giving the uniformity and stability to the currency which the Constitution intends to confer. The very act of so associating or incorporating them into one, by whatever name called, or by whatever department performed, would be in fact an act of incorporation.

“But, said Mr. C., my object, as I have stated, is not to discuss the constitutional questions, nor to determine whether the bank be constitutional or not. It is, I repeat, to show where the difficulty lies—a difficulty which I have felt from the time I first came into the public service. I found then, as now, the currency of the country consisting almost entirely of bank notes. I found the Government intimately connected with the system, receiving bank notes in its dues, and paying them away under its appropriations as cash. The fact was beyond my control; it existed long before my time, and without my agency; and I was compelled to act on the fact as it existed, without deciding on the many questions which I have suggested, as connected with this subject, and on many of which I have never yet formed a definite opinion. No one can pay less regard to precedent than I do, acting here in my representative and deliberative character, on legal or constitutional questions; but I have felt from the beginning the full force of the distinction so sensibly taken by the Senator from Virginia, [Mr. LEIGH,] between doing and undoing an act, and which he so strongly illustrated in the case of the purchase of Louisiana. The constitutionality of that act was doubted by many at the time, and among others by its author himself; yet he would be considered a madman who, coming into political life, at this late period, would now seriously take up the question of the constitutionality of the purchase, and, coming to the conclusion that it was unconstitutional, should propose to rescind the act, and eject from the Union two flourishing States, and a growing Territory.”

I next ask the attention of the Senators, especially from the Northern States, while the Secretary reads the short address to the Opposition, that they may see how distinctly I foresaw what was coming, and how anxious I was to avert the calamity that has fallen on the section where I anticipated it would. I ask the Secretary to read the extract numbered three:

“I next address myself to the members of the Opposition, who principally represent the commercial and manufacturing portions of the country, where the banking system has been the farthest extended, and where a larger portion of the property exist in the shape of credit than in any other section; and to whom a sound stable currency is most necessary, and the opposite most dangerous. You have no constitutional objection; to you it is a mere question of expediency; viewed in this light, can you vote for the proposed measure?—a measure designed to arrest the approach of events which I have demonstrated must, if not arrested, create convulsions and revolutions; and to correct a disease which must, if not corrected, subject the currency to continued agitations and fluctuations: and in order to give that permanence, stability, and uniformity



which is so essential to your safety and prosperity. To effect this may require some diminution on the profits of banking; some temporary sacrifice of interest; but if such should be the fact, it will be compensated in more than a hundred-fold proportion, by increased security and durable prosperity. If the system must advance in the present course without a check, and if explosion must follow, remember that where you stand will be the crater: should the system quake, under your feet the chasm will open that will engulf your institutions and your prosperity."

I regret to trespass on the patience of the Senate, but I wish, in justice to myself, to ask their attention to one more, which, though not immediately relating to the question under consideration, is not irrelevant to my vindication. I not only expressed my opinions freely in relation to the currency and the bank, in the speech from which such copious extracts have been read, but had the precaution to define my political position distinctly in reference to the political parties of the day, and the course I would pursue in relation to each. I then, as now, belonged to the party to which it is my glory ever to have been attached exclusively; and avowed, explicitly, that I belonged to neither of the two parties, Opposition or Administration, then contending for superiority, which of itself ought to go far to repel the charge of the Senator from Kentucky, that I have gone over from one party to the other. The Secretary will read the last extract:

"I am the partizan, as I have said, of no class, nor, let me add, of any political party. I am neither of the Opposition nor of the Administration. If I act with the former in any instance, it is because I approve of their course on the particular occasion; and I shall always be happy to act with them when I do approve. If I oppose the Administration; if I desire to see power change hands, it is because I disapprove of the general course of those in authority; because they have departed from the principles on which they came into office; because, instead of using the immense power and patronage put in their hands to secure the liberty of the country and advance the public good, they have perverted them into party instruments for personal objects. But mine has not been, nor will it be, a systematic opposition. Whatever measure of theirs I may deem right, I shall cheerfully support; and I only desire that they shall afford me more frequent occasions for support, and fewer for opposition, than they have heretofore done."

Such, Senators, are my recorded sentiments in 1834. They are full and explicit on all the questions involved in the present issue, and prove, beyond the possibility of doubt, that I have changed no opinion, abandoned no principle, nor deserted any party. I stand now on the ground I stood then, and, of course, if my relations to the two opposing parties are changed—if I now act with those that I then opposed, and oppose those with whom I then acted, the change is not in me. I at least have stood still." In saying this, I accuse none of changing. I leave others to explain their position, now and then, if they deem explanation necessary. But, if I may be permitted to state my opinion, I would say that the change is rather in the questions and the circumstances, than in the opinions or principles of either of the parties. The Opposition were then and are now national bank men, and the Administration, in like manner, were anti-national bank, and in favor of a league of State banks, while I preferred then, as now, the former to the latter, and a divorce from banks to either. When the experiment of the league failed, the Administration were reduced to the option between a national bank and a divorce. They chose the latter, and such, I have no reason to doubt, would have been their choice, had the option been the same four years ago. Nor have I any doubt, had the option been then between a league of banks and divorce, the Opposition then, as now, would have been in favor of the league. In all this there is more apparent than real change. As to myself, there has been neither. If I acted with the Opposition and opposed the Administration then, it was because I was openly opposed to the removal of the deposits and the league of banks, as I now am; and if I now act with the latter and oppose the former, it is because I am now, as then, in favor of a divorce, and opposed to either a league of State banks or a national bank, except indeed as the means of effecting a divorce gradually and safely. What, then, is my offence? What but refusing to abandon my first choice, the divorce from the banks, because the Administration has selected it, and of going with the Opposition for a national bank, to which I have been and am still opposed? That is all; and for this I am charged with going over—leaving one party and joining the other.

Had some guardian angel, Mr. President, whispered in my ear at the time, "be cautious what you say; this question will not terminate here; four years hence it will be revived, under very different circumstances, when your principles and duty will compel you to act with those you now oppose, and oppose those with whom you now act, when you will be charged with desertion of principles," I could not have guarded myself more effectually than I have done. Yet, in the face of all this, the Senator has not only made the charge, but has said, in his place, that he heard, for the first time in his life, at the extra session, that I was opposed to a national bank! I could place the Senator in a dilemma from which there is no possibility of escape. I might say to him, you have either forgot or not what I said in 1834. If you have not, how can you justify yours in making the charge you have? But if you have—if you have forgot what is so recent, and what, from the magnitude of the question and the importance of the occasion, was so well calculated to impress itself on your memory, what possible value can be attached to your recollection or opinions, as to my course on more remote and less memorable occasions, on which you have undertaken to impeach my conduct? He may take his choice.

Having now established by the record that I have changed no opinion, abandoned no principle, nor deserted any party, the charge of the Senator, with all the aspersions with which he accompanied it, falls prostrate to the earth. Here I might leave the subject, and close my vindication. But I choose not. I shall follow the Senator up, step by step, in his unprovoked, and, I may now add, groundless attack, with blows not less decisive and victorious.



The Senator next proceeded to state, that in a certain document (if he named it, I did not hear him) I assigned as the reason why I could not join in the attack on the Administration, that the benefit of the victory would not enure to myself, or my party, or, as he explained himself, because it would not place myself and them in power. I presume he referred to a letter, in answer to an invitation to a public dinner offered me by my old and faithful friends and constituents of Edgefield, in approbation of my course at the extra session.

[Mr. CLAY. I do.]

The pressure of domestic engagements would not permit me to accept their invitation, and, in declining it, I deemed it due to them and myself to explain my course, in its political and party bearing, more fully than I had done in debate. They had a right to know my reasons, and I expressed myself with the frankness due to the long and uninterrupted confidence that had ever existed between us.

Having made these explanatory remarks, I now proceed to meet the assertion of the Senator, I again take issue on the fact. I assigned no such reason as the Senator attributes to me. I never dreamed nor thought of such a one; nor can any force of construction extort it from what I said. No; my object was not power or place, either for myself or party. It was far more humble and honest. It was to save ourselves and our principles from being absorbed and lost in a party more numerous and powerful, but differing from us on almost every principle and question of policy.

When the suspension of specie payments took place in May last, (not unexpected to me,) I immediately turned my attention to the event earnestly, considering it as an event pregnant with great and lasting consequences. Reviewing the whole ground, I saw nothing to change in the opinions and principles I had avowed in 1834, and I determined to carry them out, as far as circumstances and my ability would enable me. But I saw that my course must be influenced by the position which the two great contending parties might take in reference to the question. I did not doubt that the Opposition would rally either on a national bank, or a combination of State banks, with Mr. Bidle's at the head, but I was wholly uncertain what course the Administration would adopt, and remained so until the message of the President was received and read by the Secretary at his table. When I saw he went for a divorce, I never hesitated a moment. Not only my opinions and principles long entertained, and, as I have shown, fully expressed years ago, but the highest political motives, left me no alternative. I perceived, at once, that the object, to accomplish which we had acted in concert with the Opposition, had ceased; Executive usurpations had come to an end for the present; and that the struggle with the Administration was no longer for power but to save themselves. I also clearly saw that if we should unite with the Opposition in their attack on the Administration, the victory over them in the position they occupied, would be a victory over us and our principles. It required no sagacity to see that such would be the result. It was as plain as day. The Administration had taken position, as I have shown, on the very ground I occupied in 1834, and which the whole State Rights party had taken at the same time in the other House, as its journals will prove. The opposition, under the banner of the bank, were moving against him for the very reason that they had taken the ground they did.

Now, I ask, what would have been the result if we had joined in the attack? No one can now doubt that the victory over those in power would have been certain and decisive, nor would the consequences have been the least doubtful. The first fruit would have been a National bank. The principles of the Opposition, and the very object of the attack would have necessarily led to that. We would have been not only too feeble to resist, but would have been committed by joining in the attack with its avowed object to go for one, while those who support the Administration would have been scattered in the winds. We should then have had a bank—that is clear; nor is it less certain, that in its train there would have followed all the consequences which have and ever will follow, when tried—high duties, overflowing revenue, extravagant expenditures, large surpluses; in a word, all those disastrous consequences which have well near overthrown our institutions, and involved the country in its present difficulties. The influence of the institution, the known principles and policy of the Opposition, and the utter prostration of the Administration party, and the absorption of ours, would have led to these results as certainly as we exist.

I now appeal, Senators, to your candor and justice, and ask, could I, having all these consequences before me, with my known opinions and that of the party to which I belong, and to which only I owe fidelity, have acted differently from what I did? Would not any other course have justly exposed me to the charge of having abandoned my principles and party, with which I am now accused so unjustly? Nay, would it not have been worse than folly—been madness in me to have taken any other? And yet the grounds which I have assumed in this exposition are the very reasons assigned in my letter, and which the Senator has perverted most unfairly and unjustly into the pitiful, personal and selfish reason, which he has attributed to me. Confirmative of what I say, I again appeal to the record. The Secretary will read the paragraph marked in my Edgefield letter, to which, I presume, the Senator alluded.

"As soon as I saw this state of things, I clearly perceived that a very important question was presented for our determination, which we were compelled to decide forthwith—shall we continue our joint attack with the Nationals on those in power, in the new position which they have been compelled to occupy? It was clear, with our joint forces, we could utterly overthrow and demolish them, but it was not less clear that the victory would enure not to us, but exclusively to the benefit of our allies and their cause. They were the most numerous and power-



ful, and the point of assault on the position which the party to be assaulted had taken in relation to the banks would have greatly strengthened the settled principles and policy of the National party, and weakened, in the same degree, ours. They are, and ever have been, the decided advocates of a National bank, and are now in favor of one with a capital so ample as to be sufficient to control the State institutions, and to regulate the currency and exchanges of the country. To join them, with their avowed object in the attack to overthrow those in power, on the ground they occupied against a bank, would, of course, not only have placed the Government and country in their hands without opposition, but would have committed us, beyond the possibility of extrication, for a bank, and absorbed our party in the ranks of the National Republicans. The first fruits of the victory would have been an overshadowing National bank, with an immense capital, not less than from fifty to a hundred millions, which would have centralized the currency and exchanges, and with them the commerce and capital of the country, in whatever section the head of the institution might be placed. The next would be the indissoluble union of the political opponents, whose principles and policy are so opposite to ours, and so dangerous to our institutions, as well as oppressive to us."

I now ask, is there any thing in this extract which will warrant the construction that the Senator has attempted to force on it? Is it not manifest that the expression on which he fixes, that the victory would enure, not to us, but exclusively to the benefit of the Opposition, alludes not to power or place, but to principle and policy? Can words be more plain? What then becomes of all the aspersions of the Senator, his reflections about selfishness and the want of patriotism, and his allusions and illustrations to give them force and effect? They fall to the ground without deserving a notice, with his groundless accusation.

But, in so premeditated and indiscriminate an attack, it could not be expected that my motives would entirely escape, and we accordingly find the Senator very charitably leaving it to time to disclose my motive for going over. Leave it to time to disclose my motive for going over! I, who have changed no opinion, abandoned no principle, and deserted no party; I, who have stood still and maintained my ground against every difficulty, to be told that it is left to time to disclose my motive! The imputation sinks to the earth with the groundless charge on which it rests. I stamp it with scorn in the dust. I pick up the dart, which fell harmless at my feet. I hurl it back. What the Senator charges on me unjustly, *he has actually done*. He went over on a memorable occasion, and did not leave it to time to disclose his motive.

The Senator next tells us that I bore a character for stern fidelity, which he accompanied with remarks implying that I had forfeited it by my course on the present occasion. If he means by stern fidelity a devoted attachment to duty and principle, which nothing can overcome, the character is indeed, a high one, and, I trust, not entirely unmerited. I have, at least, the authority of the Senator himself for saying that it belonged to me before the present occasion, and it is, of course, incumbent on him to show that I have since forfeited it. He will find the task a Herculean one. It would be by far more easy to show the opposite, that, instead of forfeiting, I have strengthened my title to the character; instead of abandoning any principles, I have firmly adhered to them, and that, too, under the most appalling difficulties. If I were to select an instance in the whole course of my life on which, above all others, to rest my claim to the character which the Senator attributed to me, it would be this *very* one, which he has selected to prove that I have forfeited it. I acted with the full knowledge of the difficulties I had to encounter, and the responsibility I must incur. I saw a great and powerful party, probably the most powerful in the country, eagerly seizing on the catastrophe which had befallen the currency, and the consequent embarrassments that followed, to displace those in power, against whom they had been long contending. I saw that, to stand between them and their object, I must necessarily incur their deep and lasting displeasure. I also saw that, to maintain the Administration in the position they had taken, to separate the Government from the banks, I would draw down on me, with the exception of some of the Southern banks, the whole weight of that extensive, concentrated, and powerful interest—the most powerful by far of any in the whole community; and thus I would unite against me a combination of political and moneyed influence almost irresistible. Nor was this all. I could not but see that, however pure and disinterested my motives, and however consistent my course with all I had ever said or done, I would be exposed to the very charges and aspersions which I am now repelling. The ease with which they could be made, and the temptation to make them, I saw were too great to be resisted by the party morality of the day, as groundless as I have demonstrated them to be! But there was another consequence that I could not but foresee, far more painful to me than all others. I but too clearly saw that, in so sudden and complex a juncture, called on as I was to decide on my course instantly, as it were, on the field of battle, without consultation, or explaining my reasons, I would estrange for a time many of my political friends, who had passed through with me so many trials and difficulties, and for whom I feel a brother's love. But I saw before me the path of duty, and, though rugged, and hedged on all sides with these and many other difficulties, I did not hesitate a moment to take it. Yes, *alone*, as the Senator sneeringly says. After I had made up my mind as to my course, in a conversation with a friend about the responsibility I would assume, he remarked that my own State might desert me. I replied that it was not impossible; but the result has proved that I underestimated the intelligence and patriotism of my virtuous and noble State. I ask her pardon for the distrust implied in my answer; but I ask with assurance it will be granted, on the grounds I shall put it—that in being prepared to sacrifice her confidence, as dear to me as light and life, rather than disobey, on this great question, the dictates of my judgment and conscience, I proved myself worthy of being her representative.



But, if the Senator, in attributing to me stern fidelity, meant, not devotion to principle, but to party, and especially the party of which he is so prominent a member, my answer is, that I never belonged to his party, nor owed it any fidelity; and, of course, could forfeit, in reference to it, no character for fidelity. It is true, we acted in concert against what we believed to be the usurpations of the Executive; and it is true, that, during the time, I saw much to esteem in those with whom I acted, and contracted friendly relations with many which I shall not be the first to forget. It is also true that a common party designation was applied to the opposition in the aggregate, not, however, with my approbation; but it is no less true that it was universally known that it consisted of two distinct parties, dissimilar in principle and policy, except in relation to the object for which they had united: the National Republican party, and the portion of the State Rights party which had separated from the Administration, on the ground that it had departed from the true principles of the original party. That I belonged exclusively to that detached portion, and to neither the opposition nor Administration party, I prove by my explicit declaration, contained in one of the extracts read from my speech on the currency in 1834. That the party generally, and the State which I represent in part, stood aloof from both of the parties, may be established from the fact that they refused to mingle in the party and political contests of the day. My State withheld her electoral vote in two successive Presidential elections; and, rather than to bestow it on either the Senator from Kentucky, or the distinguished citizen whom he opposed, in the first of those elections, she threw her vote on a patriotic citizen of Virginia, since deceased, of her own politics, but who was not a candidate; and, in the last, she refused to give it to the worthy Senator from Tennessee near me, (Judge WHITE,) though his principles and views of policy approached so much nearer to hers than that of the party to which the Senator from Kentucky belongs. But, suppose the fact was otherwise, and that the two parties had blended so as to form one, and that I owed to the united party as much fidelity as I do to that to which I exclusively belonged; even on that supposition, no conception of party fidelity could have controlled my course on the present occasion. I am not among those who pay no regard to party obligations; on the contrary, I place fidelity to party among the political virtues, but I assign to it a limited sphere. I confine it to matters of detail and arrangement, and to minor questions of policy. Beyond that, on all questions involving principles, or measures calculated to affect materially the permanent interests of the country, I look only to God and country.

And here, Mr. President, I avail myself of the opportunity to declare my present political position, so that there may be no mistake hereafter. I belong to the old Republican State Rights party of '98. To that, and that alone, I owe fidelity, and by that I shall stand through every change and in spite of every difficulty. Its creed is to be found in the Kentucky resolutions, and Virginia resolutions and report, and its policy is to confine the action of this Government within the narrowest limits compatible with the peace and security of these States, and the objects for which the Union was expressly formed. I, as one of that party, shall support all who support its principles and policy, and oppose all who oppose them. I have given, and shall continue to give, the Administration a hearty and sincere support on the great question now under discussion; because I regard it as in strict conformity to our creed and policy, and shall do every thing in my power to sustain them under the great responsibility which they have assumed. But let me tell those who are more interested in sustaining them than myself, that the danger which threatens them lies not here, but in another quarter. This measure will tend to uphold them, if they stand fast and adhere to it with fidelity. But, if they wish to know where the danger is, let them look to the fiscal department of the Government. I said, years ago, that we were committing an error the reverse of the great and dangerous one that was committed in 1828, and to which we owe our present difficulties, and all we have since experienced. Then, we raised the revenue greatly, when the expenditures were about to be reduced by the discharge of the public debt; and now, we have doubled the disbursements, when the revenue is rapidly decreasing; an error, although probably not so fatal to the country, will prove, if immediate and vigorous measures be not adopted, far more so to those in power. The country will not, and ought not, to bear the creation of a new debt, beyond what may be temporarily necessary to meet the present embarrassment, and any attempt to increase the duties must and ought to prove fatal to those who may make it, so long as the expenditures may, by economy and accountability, be brought within the limits of the revenue.

But the Senator did not confine his attack to my conduct and motives in reference to the present question. In his eagerness to weaken the cause I support, by destroying confidence in me, he made an indiscriminate attack on my intellectual faculties, which he characterized as metaphysical, eccentric, too much of genius, and too little common sense, and of course wanting a sound and practical judgment.

Mr. President, according to my opinion, there is nothing of which those who are endowed with superior mental faculties ought to be more cautious than to reproach those with their deficiency to whom Providence has been less liberal. The faculties of our mind are the immediate gift of our Creator, for which we are no farther responsible than for their proper cultivation, according to our opportunities, and their proper application to control and regulate our actions.— Thus thinking, I trust I shall be last to assume superiority on my part, or reproach any one with inferiority on his; but those who do not regard the rule, when applied to others, cannot expect it to be observed when applied to themselves. The critic must expect to be criticized, and he who points out the faults of others, to have his own pointed out.

I cannot retort on the Senator the charge of being metaphysical. I cannot accuse him of possessing the powers of analysis and generalization, those higher faculties of the mind (called



metaphysical by those who do not possess them) which decompose and resolve into their elements the complex masses of ideas that exist in the world of mind, as chemistry does the bodies that surround us in the material world; and without which those deep and hidden causes which are in constant action, and producing such mighty changes in the condition of society, would operate unseen and undetected. The absence of these higher qualities of the mind is conspicuous throughout the whole course of the Senator's public life. To this it may be traced that he prefers the specious to the solid, and the plausible to the true. To the same cause, combined with an ardent temperament, it is owing that we ever find him mounted on some popular and favorite measure which he whips along, cheered by the shouts of the multitude, and never dismounts till he has rode it down. Thus, at one time, we find him mounted on the protective system, which he rode down; at another, on internal improvement; and now he is mounted on a bank, which will surely share the same fate, unless those who are immediately interested shall stop him in his headlong career. It is the fault of his mind to seize on a few prominent and striking advantages and to pursue them eagerly without looking to consequences. Thus, in the case of the protective system, he was struck with the advantages of manufactures, and, believing that high duties was the proper mode of protecting them, he pushed forward the system without seeing that he was enriching one portion of the country at the expense of the other; corrupting the one and alienating the other; and, finally, dividing the community into two great hostile interests, which terminated in the overthrow of the system itself. So, now, he looks only to a uniform currency and a bank as a means of securing it, without once reflecting how far the banking system has progressed, and the difficulties that impede its farther progress; that banking and politics are running together to their mutual destruction; and that the only possible mode of saving his favorite system is to separate it from the Government.

To the defects of understanding, which the Senator attributes to me, I make no reply. It is for others, and not me, to determine the portion of understanding which it has pleased the Author of my being to bestow on me. It is, however, fortunate for me, that the standard by which I shall be judged is not the false, prejudiced, and, as I have shown, unfounded opinion which the Senator has expressed, but my acts. They furnish materials, neither few nor scant, to form a just estimate of my mental faculties. I have now been more than twenty-six years continuously in the service of this Government, in various stations, and have taken part in almost all the great questions which have agitated this country during this long and important period. Throughout the whole I have never followed events, but have taken my stand in advance, openly and freely, avowing my opinions on all questions, and leaving it to time and experience to condemn or approve my course. Thus acting, I have often, and on great questions, separated from those with whom I usually acted, and if I am really so defective in sound and practical judgment as the Senator represents, the proof, if to be found any where, must be found in such instances, or where I have acted on my sole responsibility. Now, I ask, in which of the many instances of the kind is such proof to be found? It is not my intention to call to the recollection of the Senate all such; but that you, Senators, may judge for yourselves, it is due, in justice to myself, that I should suggest a few of the most prominent, which at the time were regarded as the Senator now considers the present; and then, as now, because, where duty is involved, I would not submit to party trammels.

I go back to the commencement of my public life, the war session, as it was usually called, of 1812, when I first took my seat in the other House, a young man, without experience to guide me, and I shall select, as the first instance, the Navy. At that time the Administration and the party to which I was strongly attached were decidedly opposed to this important arm of service. It was considered anti-republican to support it; but acting with my then distinguished colleague, Mr. Cheves, who led the way, I did not hesitate to give it my hearty support, regardless of party ties. Does this instance sustain the charge of the Senator?

The next I shall select is the restrictive system of that day; the embargo, the non-importation and non-intercourse acts. This, too, was a party measure, which had been long and warmly contested, and of course the lines of party well drawn. Young and inexperienced as I was, I saw its defects, and resolutely opposed it, almost alone of my party. The second or third speech I made, after I took my seat, was in open denunciation of the system; and I may refer to the grounds I then assumed, the truth of which have been confirmed by time and experience, with pride and confidence. This will scarcely be selected by the Senator to make good his charge.

I pass over other instances, and come to Mr. Dallas's bank of 1814-'15. That, too, was a party measure. Banking was then comparatively but little understood, and it may seem astonishing at this time, that such a project should ever have received any countenance or support. It proposed to create a bank of \$50,000,000, to consist almost entirely of what was called then the war stocks; that is, the public debt created in carrying on the then war. It was provided that the bank should not pay specie during the war, and for three years after its termination, for carrying on which it was to lend the Government the funds. In plain language, the Government was to borrow back its own credit from the bank, and pay to the institution six per cent. for its use. I had scarcely ever before seriously thought of banks or banking, but I clearly saw through the operation, and the danger to the Government and country, and, regardless of party ties or denunciations, I opposed and defeated it in the manner I explained at the extra session. I then subjected myself to the very charge which the Senator now makes, but time has done me justice, as it will in the present instance.



Passing the intervening instances, I come down to my administration of the War Department where I acted on my own judgment and responsibility. It is known to all, that the Department, at the time, was perfectly disorganized, with not much less than \$50,000,000 of outstanding and unsettled accounts, and the greatest confusion in every branch of service. Though without experience, I prepared, shortly after I went in, the bill for its organization, and on its passage I drew up the body of rules for carrying the act into execution, both of which remain substantially unchanged to this day. After reducing the outstanding accounts to a few millions, and introducing order and accountability in every branch of service, and bringing down the expenditure of the army from four to two and a half millions annually, without subtracting a single comfort from either officer or soldier, I left the Department in a condition that might well be compared to the best in any country. If I am deficient in the qualities which the Senator attributes to me, here in this mass of details and business it ought to be discovered. Will he look to this to make good his charge?

From the War Department I was transferred to the Chair which you now occupy. How I acquitted myself in the discharge of its duties, I leave it to the body to decide, without adding a word. The station, from its leisure, gave me a good opportunity to study the genius of the prominent measure of the day, called then the American system, of which I profited. I soon perceived where its errors lay, and how it would operate. I clearly saw its desolating effects in one section, and corrupting influence in the other; and when I saw that it could not be arrested here, I fell back on my own State, and a blow was given to a system destined to destroy our institutions, if not overthrown, which brought it to the ground. This brings me down to the present times, and where passions and prejudices are yet too strong to make an appeal, with any prospect of a fair and impartial verdict. I then transfer this, and all my subsequent acts, including the present, to the tribunal of posterity, with a perfect confidence that nothing will be found, in what I have said or done, to impeach my integrity or understanding.

I have now, Senators, repelled the attacks on me. I have settled the account and cancelled the debt between me and my accuser. I have not sought this controversy, nor have I shunned it when forced on me. I have acted on the defensive, and if it is to continue, which rests with the Senator, I shall throughout continue so to act. I know too well the advantage of my position to surrender it. The Senator commenced the controversy, and it is but right that he should be responsible for the direction it shall hereafter take. Be his determination what it may, I stand prepared to meet him.